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CENTRAL INTELLIGENCE AGENCY

*Memorandum*



THE SITUATION IN VIETNAM

Information as of 1600  
17 August 1966

ARMY review(s) completed.

State Dept. review completed

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HIGHLIGHTS

There has been a flurry of Viet Cong harassing actions against allied military targets in the past two days. Preliminary field analysis of poststrike photography indicates that North Vietnam's Uong Bi thermal power plant was extensively damaged in the air attack of 11 August.

I. The Military Situation in South Vietnam: Viet Cong guerrillas have increased the tempo of harassing actions against allied military targets during the last two days (Paras. 1-6). A South Vietnamese platoon was ambushed five miles south of Saigon yesterday (Para. 7). A CIDG force killed 25 Viet Cong in a two-hour engagement in Binh Thuan Province (Para. 8). Communist infiltration apparently continues through the DMZ (Paras. 9-11).

II. Political Developments in South Vietnam: Groups in opposition to the September elections are continuing their campaign to discredit the government (Paras. 1-3). The government will apparently lift press censorship on 26 August to allow the candidates to wage a more effective campaign (Para. 4). The morale of the Vietnamese Special Forces has allegedly hit an all-time low (Para. 5).

III. Military Developments in North Vietnam: Bomb damage to Uong Bi power plant is reportedly extensive (Paras. 1-3). North Vietnamese Army recruiting in Laos (Paras. 4-6).

IV. Other Communist Military Developments: There is nothing of significance to report.

V. Communist Political Developments: Chinese propaganda on Vietnam (Paras. 1-2).



I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. Viet Cong guerrillas initiated a flurry of harassing actions on 16-17 August against allied military targets in widely separated areas of the country. Although no firm trend is yet discernible, it has been anticipated that the Viet Cong might step up activity prior to South Vietnam's 11 September elections, not only to intimidate voters, but also to offset the lack of any major Communist military victory during the past several months.

2. Late today, Viet Cong guerrillas staged a 15- to 25-round mortar attack on a US motor pool located about a mile from Tan Son Nhut Air Base near Saigon. One South Vietnamese was killed and six were wounded in the half-hour attack. There were no American casualties but one US truck was reported damaged. US military police fired machine guns at the enemy by the light of flares. It has not been determined if any of the attackers were killed.

3. The Trai Bi Special Forces camp in northern Tay Ninh Province, about 65 miles northwest of Saigon, was hit with 100 rounds of 60-mm. and 81-mm. mortar fire yesterday in the second such attack on the camp in a week. Four friendly troops were wounded in the hour-long attack. Viet Cong casualties are unknown.

4. Two US Marine command posts at Da Nang were attacked by Viet Cong guerrillas with 60-mm. and 81-mm. mortar fire for over one hour yesterday. One US Marine was killed and 11 were wounded. A marine reaction force was dispatched and reported killing ten Viet Cong.

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5. On 16 August the 1st Australian Task Force command post at Ba Ria, 40 miles southeast of Saigon in Phuoc Tuy Province, was shelled with approximately 18 mortar rounds. Eleven Australians were wounded. Viet Cong casualties are unknown.

6. A South Vietnamese Army guard camp adjacent to a US installation at Nha Trang in coastal Khanh Hoa Province was subjected to a probing attack by a Viet Cong force of undetermined size yesterday. South Vietnamese casualties included seven killed and 16 wounded. No Viet Cong losses were reported.

7. A South Vietnamese Popular Force platoon was ambushed by an estimated two-platoon Viet Cong force five miles south of Saigon yesterday. Allied tactical air and artillery support were called in, and two additional Popular Force platoons were committed to the action. Although contact was broken after several hours, the South Vietnamese force is continuing to search the area. Friendly casualties were 14 killed and 12 wounded in the initial action. Viet Cong losses are unknown.

8. A South Vietnamese Civilian Irregular Defense Group (CIDG) company reported killing 25 Viet Cong in a two-hour engagement with an estimated reinforced Viet Cong battalion 20 miles northeast of Phan Thiet in coastal Binh Thuan Province. The enemy force retreated when tactical air strikes hit the area with rockets, bombs, and napalm. CIDG casualties totaled six killed and nine wounded.

#### Communist Infiltration Through the DMZ Continues

9. There are continuing indications that North Vietnamese troop movements are currently under way in the Demilitarized Zone (DMZ). On 11 August, a US forward air controller reported an increased number of pack animals along Route 102 just north of the DMZ, and what appeared to be heavy foot traffic passing through the DMZ over trails in the western half of the zone.

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10. Extensive storage facilities are also reported in the area. Allied air strikes from 12 to 14 August produced 76 secondary explosions in North Vietnam just north of the DMZ, primarily along the western section of Route 103, along Route 102, and along the coast.

11. Between 7 and 10 August, 11 boats were destroyed or damaged by allied forces along the coast just north of the DMZ. MACV reports that boat traffic is showing a considerable increase with large boats apparently moving cargo down the coast where it is off-loaded into sampans for delivery ashore.

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## II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The constitutional assembly election three and a half weeks from now continues to provoke reactions from groups opposed either to the government or to holding elections at this time. Both the Viet Cong and the non-Communist "Front of All Religions" have openly called for a boycott. The Buddhist Institute, however, has officially called for nonco-operation rather than for a formal boycott. A fourth group, the tribal autonomy organization FULRO, continues to pose the threat of a boycott which could spread to other montagnard elements sympathetic with FULRO's claims that its adherents have not been treated as equals by the ethnic Vietnamese.

2. The latest comment from Communist North Vietnam, on 15 August, reiterated the claim of the Viet Cong that the "people" will boycott the elections. The commentary, transmitted in English stressed that the GVN election law has excluded "all patriotic people," alleging that Communists and neutralists are prohibited from voting.

3. The latest of several Buddhist Institute communiqués was issued after a 14 August meeting, presided over by Thich Tinh Khiet, the supreme bonze from Hue. It reiterated the recent Institute position that the government is not competent to administer the election process. Without issuing a call for a formal boycott of the elections, the communiqué--signed by the Institute's acting chairman, Thien Hoa--reminded Buddhist followers of their "right not to vote" and repeated that Institute policy was "not to co-operate" in elections organized by the "present" government.

4. Meanwhile, the government took another step to lessen opposition or apathy toward the elections by announcing to Vietnamese newspaper representatives that press censorship would be lifted on 26 August, the date that campaigning for the elections is scheduled

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[REDACTED]

to begin. The newspaper representatives were reminded, however, that there are existing laws against publishing inflammatory articles, such as those creating dissension among various political, religious, or ethnic groups. According to a US Embassy officer, the removal of the heavy censorship of the past months should increase both voter turnout and local interest in the elections.

Vietnamese Special Forces Morale

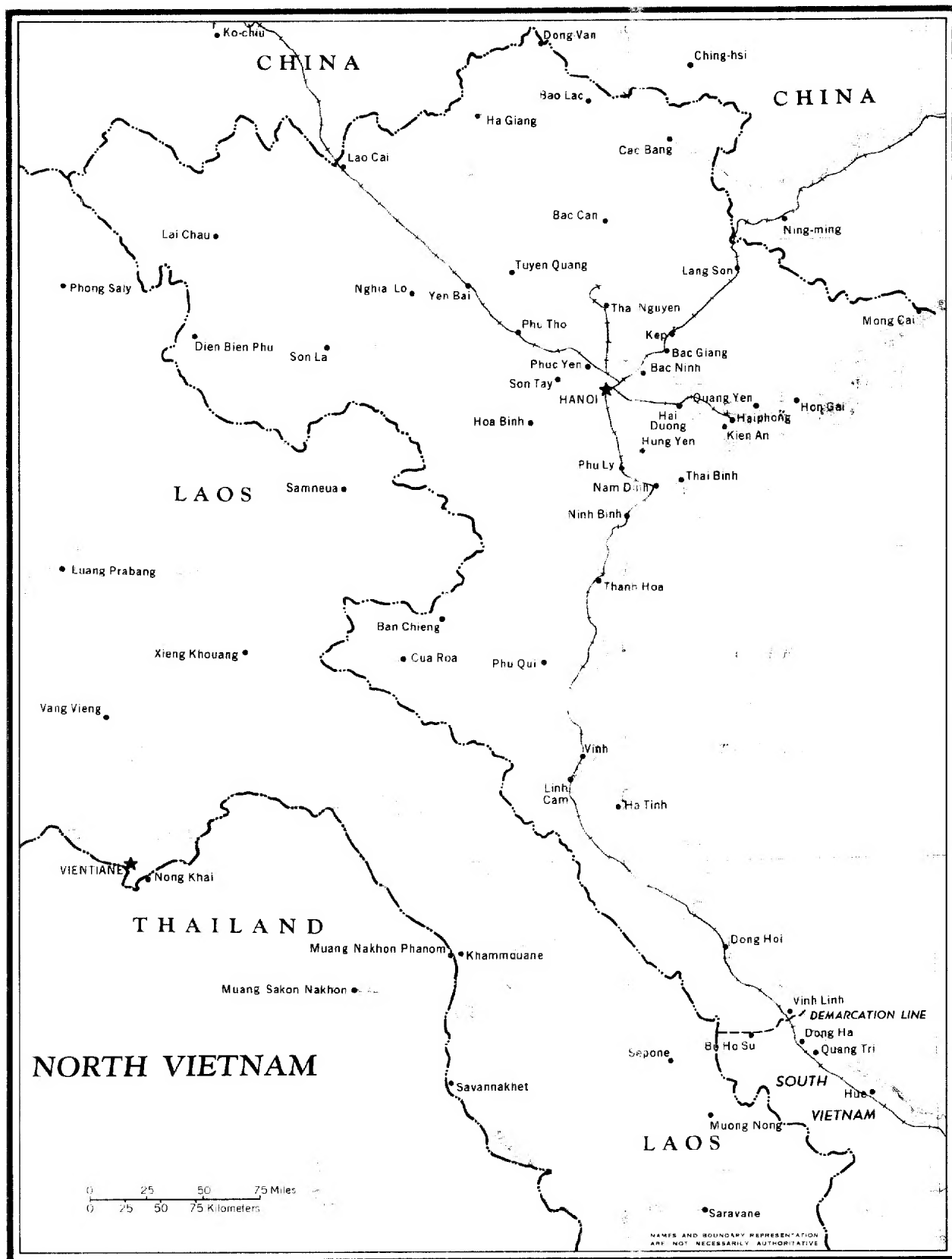
5. The morale of the Vietnamese Special Forces soldiers has reached an all-time low, [REDACTED]

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[REDACTED] a high-ranking Vietnamese general has reported that corruption among ARVN military officers is increasingly irritating many honest and respectable military men.

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III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

Bomb Damage to Uong Bi Power Plant

1. Poststrike photography indicates that the Uong Bi thermal power plant was severely damaged in the air attack of 11 August. Uong Bi, one of the largest plants in North Vietnam's power grid, has supplied about 20 to 25 percent of the power required in both Hanoi and Haiphong.
2. Preliminary field assessment of the photography shows major damage to the generator hall, which appears totally gutted by fire and secondary explosions, and minor damage from two bomb hits on the transformer substation. If the field assessment is correct, the plant will be out of commission for at least one year.
3. The Uong Bi plant probably has not been in operation since the air strikes of 18 April, although reconstruction was under way. The recent strike, however, represents a loss of 24,000 kilowatts (kw) of capacity, or almost 13 percent of North Vietnam's total estimated installed capacity of 187,000 kw. An additional 24,000 kw. of capacity, which was being installed at Uong Bi with Soviet aid, will also be lost.

DRV Army Recruiting in Laos

4. US Marines operating near the Demilitarized Zone (DMZ) in Quang Tri Province have reported the capture of a private in the North Vietnamese Army (PAVN) who claims to be a Laotian.

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5. The captured private reported that he began infiltrating South Vietnam with a unit of the PAVN

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[redacted] His duties consisted of clearing trails and carrying wounded soldiers for the PAVN. During the 11-day infiltration march across the DMZ, the prisoner's unit allegedly lost 20 men to air strikes; five others died of beriberi and 30 more deserted.

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[redacted]

6. There is no indication in the initial interrogation report that the supposed Laotian draftee was employed in any capacity other than trail-clearing and litter carrying. The source claimed that he received no military training in either North or South Vietnam. This is the first report we have received of Laotians being used in support of the Vietnamese Communists outside of Laos.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

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V. COMMUNIST POLITICAL DEVELOPMENTS

Chinese Propaganda on Vietnam Drops Again

1. Chinese concern with internal developments has again led to a sharp drop in radio commentaries on the Vietnam war. Only 10 percent of domestic and international broadcasts of 8-14 August were concerned primarily with Vietnam, as compared with 56 percent in the week of 18-24 July. The "cultural revolution" apparently was responsible for a steady drop in coverage of Vietnam in April, May, and June, reaching a low of three percent of broadcasts in the week of 13-19 June. The beginning of US bombing of POL installations near Hanoi and Haiphong was responsible for heavy coverage of the Vietnam war in July.

2. Despite the fluctuation in the volume of commentary on Vietnam, there has been no change in the general tenor of Peking's recent policy pronouncements.

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